

# D.C. Lottery and Charitable Control Games Control Board

www.lottery.dc.gov

Description	FY 2003 Approved	FY 2004 Proposed	% Change
Operating Budget	\$232,880,557	\$242,754,700	4.2

The mission of the D.C. Lottery and Charitable Games Control Board (DCLB) is to raise revenue for the District of Columbia through the operation of a lottery and to protect the public through regulation of charitable gaming. To this end, the DCLB maximizes lottery sales and profits through sale of lottery tickets to residents of and visitors to the District, and protects the public against fraud and deception through regulation of lottery and charitable gaming activities.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Continuing to meet its goals through the addition of agents throughout the City, and the launch of new games that will appeal to more people, provide new revenue streams, and meet the competitive challenges of rivals in Virginia and Maryland.
- Continuing to work with charitable and non-profit organizations to raise funds through bingo, raffles, Monte Carlo Night Parties, and other opportunities.
- Continuing to expand opportunities to provide gaming and other lottery information to players and the public through circulation of *Lotto People* at agent locations and through management of a website.

## Did you know...

Since its inception in 1982, the D.C. Lottery has transferred more than \$1.15 billion to the District's General Fund.

The District's economy has benefited from nearly \$185 million in agents' commissions and more than \$1.7 billion in prizes.

The D.C. Lottery has issued nearly 3,000 licenses to non-profit organizations, while raising more than \$80 million for charitable causes.

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## Where the Money Comes From

Table DC0-1 shows the sources of funding for the D. C. Lottery and Charitable Games Control Board.

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Table DC0-1

### FY 2004 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change From FY 2003	Percent Change
Special Purpose Revenue Fund	227,089	212,138	232,881	242,755	9,874	4.2
<b>Total for General Fund</b>	<b>227,089</b>	<b>212,138</b>	<b>232,881</b>	<b>242,755</b>	<b>9,874</b>	<b>4.2</b>
<b>Gross Funds</b>	<b>227,089</b>	<b>212,138</b>	<b>232,881</b>	<b>242,755</b>	<b>9,874</b>	<b>4.2</b>

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## How the Money is Allocated

Tables DC0-2 and 3 show the FY 2004 proposed budget for the agency at the Comptroller Source Group level (Object Class level) and FTEs by fund type.

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Table DC0-2

### FY 2004 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change from FY 2003	Percent Change
11 Regular Pay - Cont Full Time	4,577	4,685	5,459	5,711	252	4.6
12 Regular Pay - Other	99	79	0	66	66	100.0
13 Additional Gross Pay	200	26	183	182	-1	-0.5
14 Fringe Benefits - Curr Personnel	755	845	890	909	18	2.1
15 Overtime Pay	0	93	0	0	0	0.0
<b>Subtotal Personal Services (PS)</b>	<b>5,631</b>	<b>5,728</b>	<b>6,533</b>	<b>6,869</b>	<b>336</b>	<b>5.1</b>
20 Supplies And Materials	70	69	198	202	5	2.3
30 Energy, Comm. And Bldg Rentals	10	17	32	8	-24	-74.5
31 Telephone, Telegraph, Telegram, Etc	1,509	1,262	1,314	1,381	67	5.1
32 Rentals - Land And Structures	1,230	1,267	1,519	1,384	-135	-8.9
33 Janitorial Services	0	5	0	5	5	100.0
34 Security Services	0	0	0	357	357	100.0
40 Other Services And Charges	12,799	13,088	16,591	16,734	143	0.9
41 Contractual Services - Other	3,239	3,376	4,611	4,968	357	7.7
50 Subsidies And Transfers	201,232	186,548	201,301	210,148	8,847	4.4
70 Equipment & Equipment Rental	1,369	779	782	698	-83	-10.7
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>221,458</b>	<b>206,410</b>	<b>226,348</b>	<b>235,886</b>	<b>9,538</b>	<b>4.2</b>
<b>Total Proposed Operating Budget</b>	<b>227,089</b>	<b>212,138</b>	<b>232,881</b>	<b>242,755</b>	<b>9,874</b>	<b>4.2</b>

Table DC0-3

**FY 2004 Full-Time Equivalent Employment Levels**

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change from FY 2003	Percent Change
<b>General Fund</b>						
Special Purpose Revenue Fund	80	92	100	100	0	0.0
<b>Total for General Fund</b>	<b>80</b>	<b>92</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0.0</b>
<b>Total Proposed FTEs</b>	<b>80</b>	<b>92</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0.0</b>

**Gross Funds**

The proposed budget is \$242,754,700, representing an increase of 4.2 percent over the FY 2003 budget of \$232,880,557. There are 100 total FTEs for the agency, representing no change from FY 2003.

**General Fund**

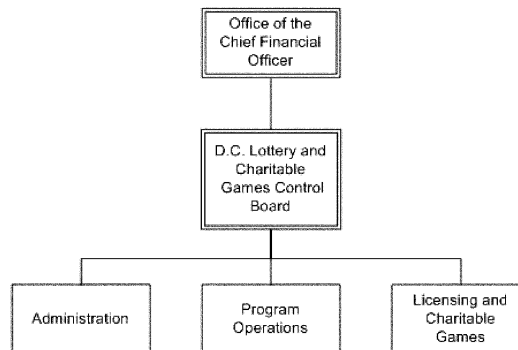
**Special Purpose Revenue Funds.** The proposed budget is \$242,754,700, an increase of \$9,874,143 over the FY 2003 approved budget of \$232,880,557.

There are 100 FTEs funded by Special Purpose sources, representing no change from FY 2003.

Changes from the FY 2003 Approved Budget are:

- An increase of \$9,919,443 for the establishment of a new game in FY 2004.
- A reduction of \$45,300 to reflect fixed cost estimates.

Figure DC0-1

**D.C. Lottery and Charitable Games Control Board****Programs**

The D.C. Lottery and Charitable Games Control Board operates the following programs:

**Administration**

The Administration Division of the DCLB has the responsibility of providing the management, staff and operating structure of all business,

financial, regulatory, and gaming activities of all the agency's operations. This coordination is performed through 13 responsibility centers consisting of: Office of the Executive Director; Human Resources; Legal Operations; Security; Procurement; Communications; Administration; Draw Operations; Marketing; Trade Development; Licensing and Charitable Games,

Management Information Systems; and Financial Operations.

### Gaming Operations

Gaming Operations for the DCLB reflect the development, design, distribution, and accounting for instant (scratch off) and online operations, ticket sales, and prize payouts. There are numerous instant games, and new games are constantly developed and deployed. Online operations consist of draw type games including: Lucky Numbers, D.C. Four, Quick Cash, Hot Five, PowerBall, Extra Lucky Numbers and D.C. Four. In FY 2003, the DCLB plans to deploy KENO and is exploring the possibility of launching an additional online game. If these games are successful, they will be continued into FY 2004.

### Licensing and Charitable Games

The Licensing and Charitable Games Division of DCLB has the responsibility of protecting the integrity of charitable gaming within the District of Columbia by licensing charities and non-profit organizations to conduct bingo, raffles, and Monte Carlo nights to raise funds for charitable causes.

## Agency Goals and Performance Measures

### Goal 1: Provide a dependable, uninterrupted source of revenues to the District's General Fund.

*Citywide Strategic Priority Area(s):* Making Government Work

*Manager(s):* Kevin Johnson, Vivien Cunningham, William Parson, Robert Hailey, James Jones, Ida Crosson, Claudia Booker, Carol Jackson Jones, Doris Brown, William Robinson, Melody Booker, Barry Robinson

*Supervisor(s):* Jeanette A. Michael, Executive Director

#### Measure 1.1: Amount of money transferred to the District's General Fund (millions of dollars)

	Fiscal Year				
	2001	2002	2003	2004	2005
Target	69	70	68.6	70.2	71.1
Actual	84	63.2	-	-	-

#### Measure 1.2: Amount of commissions paid to agents (millions of dollars)

	Fiscal Year				
	2001	2002	2003	2004	2005
Target	12.5	14.4	14.6	15.3	15.5
Actual	11.6	12.8	-	-	-

Note: In an effort to remain competitive with the commission paid to agents by neighboring jurisdictions, the DCLB has raised the agent commission from 4 percent to 5 percent beginning January 1, 2002.

#### Measure 1.3: Amount paid out for lottery prizes (millions of dollars)

	Fiscal Year				
	2001	2002	2003	2004	2005
Target	113	117	118.8	124.7	127
Actual	105.6	110.7	-	-	-

#### Measure 1.4: Number of agent newsletters published

	Fiscal Year				
	2001	2002	2003	2004	2005
Target	4	4	4	4	4
Actual	4	4	-	-	-